

BUDGET ADVISORY MEETING
MAY 12, 2005

BUDGET ADVISORY COMMITTEE MEETING
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1. ROLL CALL

The meeting was called to order at 5:40 p.m.

Present at the meeting were Committee Chair, Dr. Kerry Waldee, Vice-Chair Dr. Robert Preziosi, and Secretary Scott Spages. Also present was Finance Director Bill Underwood.

2. APPROVAL OF MINUTES

There were no Minutes to be approved.

3. OLD BUSINESS

3.1 Departmental Liaison Report

Mr. Underwood advised he would email department directors the following morning.

3.2 Park Bond

Mr. Spages indicated he had spoken against the Open Space Bond at two Council meetings. He advised that Council had voted 3-2 in favor of this.

Chair Waldee asked if the terms of the bond had been determined. Mr. Underwood responded no. He stated the general concept was for a figure in the amount of \$25 million. He further indicated that, in the event the Bond passed, he had submitted a resolution of intent to reimburse the Town for costs related to Trust for Public Lands consulting and for election expenses estimated at \$80,000– \$100,000 via a mail ballot. The Board members spoke of potential impacts on the millage rate if the Bond were to pass.

ACTION:

Mr. Spages made a motion, seconded by Dr. Preziosi, “to advise Council of the Committee’s desire to be part of the election process for the Parks and Trails Bond, so that it may help point out facts to voters related to what the financial impacts would be.”

Dr. Preziosi stated he wanted to see data on how efficiently the current budget was being used before he would be in favor of the \$25 million bond.

In a voice vote, all voted in favor. (Motion passed 3-0)

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4. NEW BUSINESS

4.1 Election of Chair

Mr. Spages made a motion, seconded by Dr. Waldee, to nominate Dr. Preziosi for Chair. In a voice vote, all voted in favor. (Motion passed 2-0)

4.2 Election of Vice-Chair

Mr. Spages made a motion, seconded by Dr. Preziosi, to nominate Dr. Waldee for Vice-Chair. In a voice vote, all voted in favor. (Motion passed 2-0)

4.3 5-Year Capital Improvement Budget

Mr. Underwood advised that the report was tentative as more data would be added. He described the budget as fiscally "liberal" and stated that some items had been included without funding in place. He also stated there was reiteration of other items which were not at issue as funding was in place.

Mr. Spages wanted the Committee to meet with the Town Administrator and the Town's grant writer, Colleen Ryan to discuss the Committee's philosophy with regard to capital improvements.

The Committee members and Mr. Underwood further discussed specific projects detailed on the report. With regard to the Open Space Bond, Mr. Underwood advised that the results of the referendum would be binding. Mr. Underwood advised the Committee members to further review the Budget and discuss items with department directors.

Mr. Spages suggested scheduling an additional meeting prior to June 1 to discuss the Budget before it was voted on.

The Committee scheduled a meeting for Monday, May 16 to specifically discuss the Capital Budget and make recommendations.

The Committee scheduled a backup meeting date for Thursday, May 19.

4.4 2nd Quarter Report

Mr. Underwood referred to the *Mid-Year Analysis of Revenues and Expenditures Report* submitted to the Committee. He indicated this was a tight year. He stated that appropriations that had not been used had grown another \$2 million-plus. He stated there was some pickup in revenues since the 1st Quarterly Report. Mr. Underwood and the Committee went through expenditures and revenues reflected in the report in further detail.

Mr. Spages requested data on the Town's financial rating compared to other municipalities and requested to see data on this. Mr. Underwood advised that usually a municipality would get its house in order then give a presentation to bodies such as Standard and Poor's, Moody, or Fitch to receive a rating. Mr.

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Underwood stated his perception was that the Town would not have good rating in light of its record over the years.

Mr. Underwood requested that the Committee further review the Report.

5. COMMENTS AND/OR SUGGESTIONS

Mr. Spages thanked Dr. Waldee for his direction over the previous year.

6. ADJOURNMENT

As there was no further business to discuss and no objections, Mr. Spages made a motion, seconded by Dr. Preziosi, to adjourn the meeting at 6:25 p.m. In a voice vote, all voted in favor. (Motion carried 4-0)

Date approved

Chair/Committee Member